

1.

Yugoslavia

1. Yugoslavia's anti-Soviet position is unlikely to be affected by any apparent decline in Soviet or Satellite aggressiveness, and Yugoslavian desire to cooperate more fully with the West may increase as the Soviet program for increasing the size and efficiency of Satellite armed forces <sup>reaches</sup> goes forward to the point where it ~~may~~ appear possible for Satellite forces alone to attack Yugoslavia with substantial prospects for success.

2. <sup>(19)</sup> On the other hand, Yugoslavian practical cooperation will almost certainly continue to be inhibited by the desire to <sup>maintain</sup> ~~assert~~ independence from <sup>the major Western powers</sup> the West and by bad relations with Italy. The recent Vatican break is illustrative of Yugoslavian willingness to <sup>accept</sup> offend Western opinion for the sake of an <sup>independent</sup> ~~assert~~ policy. Despite the practical military arguments for cooperation with Italy, Yugoslavia is unlikely to relax its position on Trieste.

3. <sup>(20)</sup> <sup>like</sup> Yugoslavia will almost certainly continue its own defense effort nearly at present levels, <sup>it</sup> but will cooperate with the West, and specifically the US, only on a realistic and somewhat suspicious basis, seeking maximum aid for minimum commitments and seeking also a voice in European planning. Yugoslavian supply of raw materials to the West is likely to

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1. Yugoslavia's anti-Soviet position is unlikely to be affected by any apparent decline in Soviet or Satellite aggressiveness, and Yugoslavian [desire] to cooperate <sup>ion</sup> ~~[more fully]~~ with the West may increase as the Soviet <sup>sponsored strengthening</sup> ~~[program for increasing the size and efficiency]~~ of Satellite armed forces <sup>reaches</sup> ~~[goes forward]~~ to the point where it [may] appear possible for Satellite forces alone to attack Yugoslavia with substantial prospects for success.

2. On the other hand, Yugoslavian practical cooperation will almost certainly continue to be inhibited by the desire to maintain assert independence from the West and by bad relations with Italy. The recent Vatican break is illustrative of Yugoslavian willingness to offend Western opinion for the sake of an assertion of independent policy. Despite the practical military arguments for cooperation with Italy, Yugoslavia is unlikely to relax its position on Trieste.

3. <sup>(with Western military aid.)</sup> Yugoslavia [will almost certainly continue its own defense effort [nearly] <sup>about the</sup> at/present levels, but will cooperate with the West, and specifically the US, only on a realistic and somewhat suspicious basis, seeking maximum aid for minimum commitments and seeking also a voice in European planning. Yugoslavian supply of raw materials to the West is likely to

Some mention should be made of reduction in new Yugoslav budget

~~SECRET~~

2.

Will Turkey &  
Greece allow  
Italy to be  
isolated through  
such means?

continue on a firm footing, although there may be some haggling over price. Although Yugoslavia will probably expand its military cooperation with Greece and Turkey to the point of detailed planning, it will also seek to use such cooperation as a device to isolate Italy and put pressure on Italy and also will seek to establish its own primacy over Greece as a Balkan power.

4. In general, Yugoslavia will seek by all possible means to assert a unique position in the East-West struggle, standing for the freedom of action of small nations and, in the ideological sphere, contending that the struggle is not against Communism as such but rather against Soviet aggression. Yugoslavia may make sporadic gestures toward dealing with Communist China to encourage alleged Titoist potential there. Moreover, Yugoslavia is likely to increase efforts to build up a "Third Force" group of small nations, not to be neutral but to have an independent voice in the East-West struggle. Efforts in this direction are being made already among the Arab-Asian nations, and there are indications that they may be extended to Japan. Although it is unlikely that any such grouping would take cohesive form within the period of this estimate, Yugoslav efforts might have some effect in providing a rallying point for disaffection with alleged US pressures.

Not clear

~~SECRET~~

2.

continue on a firm footing, although there may be some haggling over price. <sup>(21)</sup> Although Yugoslavia will probably expand its military cooperation with Greece and Turkey to the point of detailed planning, it will also seek to use such cooperation as a device to isolate Italy <sup>from participation in Balkan planning.</sup> and put pressure on Italy and also will seek to establish its own primacy over Greece as a Balkan power.]

h. <sup>(22)</sup> In general, Yugoslavia will seek by all possible means to assert a unique position in the East-West struggle, standing for the freedom of action of small nations and, in the ideological sphere, contending that the struggle is not against Communism as such but rather against Soviet aggression. <sup>(23)</sup> Yugoslavia may make sporadic gestures toward <sup>dealing with</sup> Communist China to encourage alleged Titoist potential there. <sup>(24)</sup> Moreover, Yugoslavia is likely to increase efforts to build up a "Third Force" <sup>anti-Soviet</sup> group of small nations, not to be neutral but to have an independent voice in the East-West struggle. ] Efforts in this direction are being made already among the Arab-Asian nations, and there are indications that they may be extended to Japan. [Although it is unlikely that any such grouping would take cohesive form within the period of this estimate, Yugoslav efforts might have some effect in providing a rallying point for disaffection with alleged US pressures.]

NO REP AT  
PEIPING  
O/C

Contact w  
left wing  
groups.  
Rayson conf.  
helpfulness.

? O/C  
feels ME (A/A)  
we'd be real  
rallying pt.

5. Internally, the Yugoslav government is likely to continue strong measures against alleged Cominformists, without resorting to the wholesale violence typical of the USSR and the Satellites. Dissatisfaction and rivalries in the higher echelons of the government are likely to give rise to continued difficulties and to provide opportunities for Cominformist influence. These factors, however, are unlikely to cause substantial internal weakness during the period of this estimate.

6. With the exception of internal Cominformist influence, there is no significant Soviet Bloc tactic within the assumed courses of action that could seriously affect Yugoslavia's position or strength during the period of this estimate.

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5. Internally, the Yugoslav government is likely to continue strong measures against alleged Cominformists, without resorting to the wholesale violence typical of the USSR and the Satellites. Dissatisfaction and rivalries in the higher echelons of the government are likely to give rise to continued difficulties and to provide opportunities for Cominformist influence. These factors, however, are unlikely to cause substantial internal weakness during the period of this estimate.

Agree here but not below

6. With the exception of internal Cominformist influence, there is no significant Soviet Bloc tactic within the assumed courses of action that could seriously affect Yugoslavia's position or strength during the period of this estimate.

This implies that internal Cominformist influence could seriously effect Yugo's position or

strength. I know of no evidence to support this conclusion. Cominformism appears to be under control and likely to continue so, barring the death of Tito and other top leaders.